

# STATEMENT OF PROCEEDINGS FOR THE REGULAR MEETING OF THE LOS ANGELES COUNTY BUSINESS LICENSE COMMISSION

# 500 WEST TEMPLE STREET, ROOM 374-A LOS ANGELES, CALIFORNIA 90012

Wednesday, December 14, 2011 9:00 AM

Present: President Afriat, Vice President Campbell, Commissioner Barger

and Commissioner Lee

Excused: Secretary Vasquez

AUDIO LINK FOR THE ENTIRE MEETING. (11-5497)

Attachments: AUDIO

## I. ADMINISTRATIVE MATTERS

**1.** Call to Order. (11-5436)

The meeting was called to order by President Afriat at 9:04 a.m.

**2.** Pledge of Allegiance. (11-5437)

The Pledge of Allegiance was led by President Afriat.

**3.** Approval of Minutes from Meeting of November 30, 2011. (11-5438)

On motion of President Afriat, seconded by Commissioner Lee, with Commissioner Barger abstaining, the minutes of November 30, 2011 were approved.

Ayes: 2 - President Afriat and Commissioner Lee

**Abstentions:** 1 - Commissioner Barger

Absent: 1 - Vice President Campbell

**Attachments:** SUPPORTING DOCUMENT

Vice President Campbell joined the meeting at 9:06 a.m.

## **II. CONSENT CALENDAR**

4. Nine Month Review of Taxicab Driver Business License ID#137562, for Jorge R. Arvizu, Fiesta Taxicab Company, located at 6441 Stafford Avenue, Huntington Park, CA 90255 in the First District. (10-3065)

Cristina Hernandez, Treasurer and Tax Collector's Office (TTC), provided President Afriat with copies of Mr. Arvizu's three drug test results for three months and verification of regular attendance to Alcoholics Anonymous meetings through November 17, 2011 as a condition of approval and as requested by Secretary Vasquez at the meeting of September 14, 2011.

Upon satisfaction of the documents furnished and on motion of President Afriat, seconded by Commissioner Lee, this item was referred back to TTC to resume the regular license renewal process.

**Attachments:** SUPPORTING DOCUMENT

## **III. PUBLIC HEARINGS**

5. Hearing on application for issuance of new Information Card and Notice of Intention to Solicit to Liz Shaw-Stabler for Center for Lupus Care, Inc. located at 100 N. Hillcrest Blvd., Suite 5, Inglewood, CA 90301 in the Second District. (11-5434)

Vice President Campbell disclosed that she is an advocate of the organization and is acquainted with Liz Shaw-Stabler through the organization.

Ms. Shaw-Stabler stated that the organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and informed the Commission that the organization's mission is to educate the public about Systemic and Discoid Lupus and to ensure that all patients, especially the underserved, are exposed to lupus education. To accomplish this, support services are offered to patients and family members. The organization has five board members and two authorized signatures are required to sign checks.

President Afriat inquired about the organization's resources.

Ms. Shaw-Stabler explained that the organization receives some funding through annual grant proposals.

On motion of Vice President Campbell, seconded by Commissioner Barger, the Commission approved the Information Card.

On motion of Vice President Campbell, seconded by Commissioner Barger, the Commission approved the Notice of Intention to Solicit.

**Ayes:** 4 - President Afriat, Vice President Campbell, Commissioner Barger and Commissioner Lee

**Attachments:** SUPPORTING DOCUMENT

6. Hearing on application for Annual Dance/SC for the City of Santa Clarita Business License ID# 138776, to issue a new business license to Terry L. Bixler owner of New World Dance, Inc., located at 18906 Soledad Canyon Road, Canyon Country, CA 91351 in the Fifth District. (11-4978)

Cristina Hernandez, Treasurer and Tax Collector's Office (TTC), reported that the applicant has obtained all the necessary County approvals, TTC and the City of Santa Clarita have no objections to the issuance of the license. Building and Safety Division, City of Santa Clarita noted on their referral that the applicant be informed that minors under the age of six must be accompanied by a parent.

Terry L. Bixler, owner of New World Dance, Inc. explained that the location site of his business is small. The students' age range is from 2 ½ years old to adult. Children under the age of six are usually accompanied by an adult however; there may be instances when a parent steps out briefly.

Commissioner Barger disagreed with this stipulation requested by the City of Santa Clarita and questioned this provision.

Discussion over conditioning the applicant's license ensued. Barbara Goul, County Counsel stated that, only requirements specified in the City of Santa Clarita's code can be enforced.

On motion of Commissioner Barger, seconded by President Afriat, the Commission approved the aforementioned license with the condition that the owner complies with all code requirements of the City of Santa Clarita.

**Ayes:** 4 - President Afriat, Vice President Campbell, Commissioner Barger and Commissioner Lee

<u>Attachments:</u> <u>SUPPORTING DOCUMENT</u>

7. Hearing on application for Private School/SC Business License ID #138475 for the City of Santa Clarita, to issue a new business license to Terry Lee Cranert and Rebecca Cranert for Monticello Preparatory School located at 24605 Valley Street, Santa Clarita, CA 91321 in the Fifth District. (11-4982)

Cristina Hernandez, Treasurer and Tax Collector's Office (TTC), reported that the applicant has obtained all the necessary County approvals, TTC and the City of Santa Clarita have no objections to the issuance of the license.

Terry Lee Cranert, owner of Monticello Preparatory School informed the Commission the school has been operating for six years, three years at the current location.

Rebecca Cranert stated there are 12 students per classroom with a ten to one teacher per student ratio throughout the school. The courses are based on the Core Knowledge Curriculum founded by E. D. Hirsch, which is highly regarded by educators. The school operates from 8:30 a.m. until 5:30 p.m. There are two educational field trips per month. The curriculum and sports program provide a well rounded education. Currently, there are 40 students enrolled in the school.

President Afriat questioned the applicant's delay in applying for a business license. Mr. Cranert explained that the school was originally located on a Church campus and was considered a religious school. At that time, the City of Santa Clarita's Regional Planning office instructed that a license for a religious school was not required.

Mr. Cranert confirmed that in compliance with the Fire Department's request, exit signs have been posted in front of the business.

On motion of Commissioner Barger, seconded by Vice President Campbell the Commission approved the aforementioned license.

**Ayes:** 4 - President Afriat, Vice President Campbell, Commissioner Barger and Commissioner Lee

<u>Attachments:</u> <u>SUPPORTING DOCUMENT</u>

8. Hearing on application for Taxicab Operator and 20 Taxicab Vehicles Business License ID#137940, to issue a new business license to Julian Cardenas, Helen Garcia, Gloria Zambrano, and Mauricio Rivas for Yellow Cab Co. of San Gabriel Valley, at 14920 E. Clark Ave., Hacienda Heights, CA 91745 in the Fourth District. (11-5435)

Helen Garcia, part owner of Yellow Cab Co. of San Gabriel Valley informed the Commission that Mauricio Rivas is no longer with the company. She confirmed that the company has no affiliation with Administrative Services and All Yellow Taxi.

President Afriat stated that should the license be approved Mr. Rivas will be removed from the approval.

Cristina Hernandez, Treasurer and Tax Collector's Office (TTC), reported that the applicant has obtained all the necessary County approvals and is in compliance with all the requirements. She has record of valid driver's licenses for the drivers listed.

Ms. Garcia provided an information packet to the Commissioners and gave a brief overview of the business. She stated the business provides transport service to medical facilities, school districts, regional centers and businesses in the service area and advised the Commission that further information including existing contracts is in the packet provided.

Commissioner Lee questioned the office location. Ms. Garcia confirmed the address location of the business.

Julian Cardenas stated that the majority of the vehicles are owned by the company with only a couple of vehicles owned by the drivers. The majority of the vehicles are kept by the drivers for a 24 hour period and the remaining vehicles are parked in a lot behind the business.

Vice President Campbell complimented the applicants on the organization and detail of the packet provided.

Vice President Campbell excused herself from the meeting at 9:35 a.m.

Ms. Garcia explained that the drivers are randomly tested for drugs and alcohol and undergo background checks. In the event a driver is in an accident it is procedure to post the accident and send the driver accompanied by a supervisor to be tested for drugs and alcohol.

President Afriat questioned if the drivers are considered employees and expressed concern over the relationship between Taxicab companies and independent contractors within the industry.

Ms. Garcia stated that the drivers are independent contractors and explained that the drivers lease the vehicles from the company.

Discussion over criteria to meet independent contractor status ensued.

Commissioner Barger stated that it is problematic if workman's compensation insurance is not being provided to the drivers if they are acting as employees and under control of the company.

Discussion over the jurisdiction of the County in provisioning the license to include workman's compensation to their drivers ensued.

Mr. Cardenas stated that the vehicles are covered with liability insurance however the drivers are not required to furnish a certificate of insurance for workman's compensation. He offered as a solution to share the cost of workman's compensation insurance with his drivers. Ms. Hernandez, TTC was unable to find anything in Title VII pertaining to this matter.

Commissioner Lee requested advice from County Counsel on the matter.

Barbara Goul, County Counsel stated that if the owner recognizes the drivers as employees, the business may be subjected to additional provisions. The County Code is not clear and specific to this situation and she would need to do further research on the matter.

Mr. Cardenas explained that drivers are not obligated to take the dispatched service calls and they may take their own service calls.

Ms. Garcia explained that drivers are assigned to one specific vehicle and are subject to license requirements for other cities they operate in. Drivers have a professional dress code and are provided a jacket with the company's logo. There is a no smoking while in the vehicle policy in place.

President Afriat stated that the answers provided by the applicant are in accord with the measures of being considered an employee.

The discussion returned to the criterion to be considered an independent contractor.

Commissioner Barger stated his concern over the drivers operating under the County license for personal service calls as an independent contractor.

Commissioner Lee stated that he needed more legal input on determining whether the drivers are employees or independent contractors.

Barbara Goul stated that if the Commission determines the business is not complying with local, state, or federal laws the license can be denied.

President Afriat suggested requesting the business restructure the lease agreement with the following:

- Requirement that drivers carry their own worker's compensation insurance.
- Restructure to act like a cooperative.
- Drivers operate only in areas they are licensed in.

Marcos Soto spoke on behalf of Los Angeles Yellow Cab Co. member of Administrative Services Cooperative (ASC) in opposition of Yellow Cab Co. of San Gabriel Valley having a similar name and color scheme as ASC's Yellow Cab Co. In addition, he requested the Commission impose the same meter rate as the City of Los Angeles and thoroughly investigate the insurance of the cab company. He questioned if Yellow Cab Co. of San Gabriel Valley used computerized dispatching.

President Afriat explained to the Commissioners that it is at the Commission's discretion to approve the color scheme and logo of the company and require any necessary change if the Commission determines that the company is presenting itself as a competitor.

Discussion over competing taxicab companies with similar names and color schemes ensued.

President Afriat suggested to the other Commissioners continuing the item and providing the applicants with feedback to prepare for the next hearing.

Commissioner Lee recommended the applicants restructure the company relationship with their drivers to address the Commission's concerns over worker's compensation.

President Afriat commented that he was slightly sensitive to the issue of similar color scheme raised by Mr. Soto. He expressed the importance of the drivers being informed and protected. In addition, he recommended the applicants include letters from clientele stating their reliance on the quick service response they have received.

Commissioner Barger agreed with President Afriat's suggestions and additionally requested the personal information be redacted from the packets provided by the applicants for the next hearing.

On motion of Commissioner Lee, seconded by Commissioner Barger this item was continued to February 8, 2012.

**Ayes:** 3 - President Afriat, Commissioner Barger and Commissioner Lee

Attachments: SUPPORTING DOCUMENT

#### IV. REPORT

**9.** Commissioners' Comments. (11-5439)

The Commission reviewed the calendar for December 2011 and January 2012. The Commission agreed to cancel the meetings of December 21, and December 28, 2011 and planned for a special organizational meeting on January 4, 2012 starting at 11:00 a.m. followed by lunch.

#### V. MISCELLANEOUS

### **Public Comment**

**10.** Opportunity for members of the public to address the Committee on items of interest that are within the jurisdiction of the Committee. (11-5440)

No members of the public addressed the Commission.

## <u>Adjournment</u>

**11.** Adjournment for the meeting of December 14, 2011. (11-5441)

The Commission adjourned the meeting at 10:25 a.m. The next meeting is scheduled for January 4, 2012.